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# Results First

Helping states assess the costs and benefits of policy options and use that data to make decisions based on results

The choices states are making today about how to invest their limited resources will dramatically shape our nation's future.

In the current fiscal environment, most states are facing tough budget choices and are lacking the resources needed to support traditional levels of public services. Increasingly, policy makers are seeking those combinations of programs and policies that will yield the greatest benefits in the most cost-effective way. That is why the Results First team is bringing one state's highly successful cost-benefit model to other states and providing technical assistance to help states compile and analyze data, interpret the results and present the findings to policy makers.

### Results for your state

Results First is partnering with states to implement cutting-edge cost benefit analysis tools, which help identify options that provide the best outcomes for citizens while improving states' fiscal health. These efforts include:

Providing intensive assistance for six to ten states to help them adopt and apply the Washington State Institute for Public Policy's (WSIPP) cost-benefit analysis model to their own policies and programs.

## **Results First**

Identify policy area for research

Analyze all available studies

Predict impact for state

Assign dollar value to costs and benefits of policy options

Assess risk if predictions are wrong

Consider policy options as a package

Make research accessible

Conduct follow-up evaluation

Better results, less cost



The Pew Center on the States is a division of The Pew Charitable Trusts that identifies and advances effective solutions to critical issues facing states. Pew is a nonprofit organization that applies a rigorous, analytical approach to improve public policy, inform the public and stimulate civic life.



- Creating opportunities for states that are participating in Results First to share information and lessons learned through convenings and webinars.
- Releasing a 50-state review of the strengths and limitations of current efforts to make policy decisions based on comparisons of costs and benefits.
- Working with WSIPP to support its continuing development of cuttingedge tools for state government. The current cost-benefit model assesses states' criminal justice, education, child welfare, substance abuse, mental health, health care, public assistance, housing and teen birth prevention programs.
- Identifying additional areas that are ripe for using a Results First approach to state policy making.
- Identifying and developing additional tools to help states make evidence-based policy choices and establish strong accountability systems.

We have research showing ways to lower the crime rate and save money by investing in preventing crime in the first place. It has allowed us to consider policies that are the most effective even if they don't sound like a sound bite."

—Senator Jim Hargrove (D)
Chair, Washington State Senate Committee on Human
Services and Corrections

#### Results for Washington State

Results First helps states achieve better results with lower costs. In the state of Washington, legislators and executive agencies are aided in achieving that goal by an innovative research model that identifies evidence-based policies that provide the best return on investment of taxpayer dollars.

For example, Washington state policy makers have used evidence-based research to make a series of decisions to invest in crime prevention and treatment programs that have contributed to:

- A greater reduction in crime and juvenile arrests than the national average.
- A lower rate of repeat offenders.
- An incarceration rate that is lower than the national average.
- Savings of \$1.3 billion per two-year budget cycle, eliminating the need to build new prisons and making it possible to close an adult prison and a juvenile detention facility.

The federal government and most states have made some use of cost-benefit analysis, but Washington State's model goes far beyond traditional methods:

 Analyzes all available studies from throughout the nation, documenting what works and what doesn't, rather than relying on a few studies or anecdotal evidence.



- Predicts the impact of each policy option for Washington State by applying the combined evidence of all available national studies to the state's own data.
- Calculates the benefits and costs of those impacts for Washington State, taking into account both the short and long term and the impacts on taxpayers as a whole, as well as on state agencies and those residents who are most directly affected.
- Reports projected benefits, costs and risks of all options in the style of a Consumer Reports guide to policy options; if no evidence is found for some options, they are still included but designated as such.
- Analyzes the combined benefits and costs of a package or "portfolio" of policies, instead of judging each program in isolation.
- Identifies ineffective programs that could be cut or eliminated in order to make room for investment in the most cost-effective options, rather than making across-the-board cuts.
- Makes the analysis accessible to policy makers in terms that can be understood without an advanced degree in statistics.

 Conducts follow-up studies to determine whether the costs and benefits that were predicted actually materialized after a set of policy options were adopted.

#### **About WSIPP**

The state's innovative model was developed over the past 15 years by WSIPP, an office that was created by the legislature to conduct research studies using its own policy analysts and economists, specialists from universities and consultants. Its board includes equal numbers of legislators and staff from both major parties, two appointees from the governor and high-level staff from four universities in the state.

WSIPP gets its research assignments from the legislature. Staff works closely with members and staff of the legislature, state agencies and experts in the field to ensure that studies answer relevant policy questions and are useful in making practical choices.

"When a member of the legislature doesn't see a clear way to go on an issue, staff will work with the Institute to give the member the facts they need," said Richard Ramsey, fiscal analyst for the Washington Senate Ways and Means Committee. "Republicans and Democrats alike say, 'Run it by the Institute.'"

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